



Travel and Transportation Reform Act of 1998
(Pub. L. 105-264, October 19, 1998)

The Travel and Transportation Reform Act of 1998 (the Act) was designed to resolve many outstanding issues in the Federal travel and transportation community. The Transportation portion dealt primarily with the requirement for a prepayment audit of freight bills. The implementing regulations for that portion are being developed and will be provided separately to the Council. The Transportation provisions of the Act are effective as of April 2000. The Travel portion of the Act covered four main areas. We have listed below each area with a summary of the actions taken/required for each. This is intended as a summary only. The detailed version of the regulations is available at:

www.policyworks.gov/travel

Any questions can be directed to Mr. Jim Harte of GSA's Travel Management Policy Division at (202) 501-0483. His e-mail is jim.harte@gsa.gov.

- **Authority for Test Programs**

- 10 Travel & 10 Relocation Test Programs
- Bold & new initiatives for travel and relocation management
- Not restricted by any law or regulation
- 24 month duration
- GSA approval required
- Approval criteria set by GSA
- Advise Congress before and after test
- Effective May 27, 1999

- **Technical Corrections to Law & Federal Travel Regulation (FTR)**

- Clarifies
 - Definition of United States
 - Definition of Foreign Service of the United States
- Allows agencies to pay for property management services within CONUS
- Expands travel to seek residence (househunting) trips to Puerto Rico, the Northern Mariana Islands and territories and possessions
- Other miscellaneous corrections
- Effective May 28, 1999

- **Requiring use of the Travel Charge Card**

- Requires mandatory use of Travel Charge Card by employees to pay for official travel expenses
 - Penalty for non-use at this time is under the administrative procedures of the agency
- Allows GSA Administrator and heads of agencies to make exemptions to mandatory use
 - GSA has exempted use where the card is not accepted
- Heads of Agencies can set their own exemptions and notify GSA
- Requires prompt payment of travel claims
 - Within 30 days after receipt of a proper claim
 - Agency determines what is a proper claim
 - Clock starts when claim is received by agency approving official
- Agency penalized if a proper claim is not paid within 30 calendar days
 - Interest payment to traveler at current Treasury rate
 - Second payment equivalent to any late payment fee when that would activate under agency's task order with contractor
- Allows agencies to collect delinquent travel charge card payments from employee's pay
 - Only if the employee has been paid for the travel by the agency
 - Have to follow standard garnishment of wages rules
- Published as an Interim Rule on July 16, 1999 and effective on travel after December 31, 1999

- **Reimbursement for Taxes on Money Received for Travel Expenses**

- Permits agencies to reimburse all income taxes incurred due to a long term temporary duty assignment (generally considered to be longer than 12 months)
- Allows for the reimbursement of penalty and interest payments due to agency failure to withhold proper income taxes for tax years 1993 and 1994 only
- Published as an Interim Rule on June 18, 1999 with a retroactive effective date of January 1, 1993